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**Letter dated 9 January 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1132 (1997) concerning Sierra Leone addressed to the President of the Security Council**

On behalf of the Security Council Committee established pursuant to resolution 1132 (1997) concerning Sierra Leone, I have the honour to convey herewith a letter from the Permanent Representative of Sierra Leone dated 24 December 2001, forwarding the third review of the Certificate of Origin regime for the export of Sierra Leone diamonds, as prepared by the Government of Sierra Leone in compliance with paragraph 2 of resolution 1306 (2000) (see annex).

The Committee would appreciate it if the attached letter and its annex could be brought to the attention of the members of the Security Council and issued as a document of the Security Council.

It should also be noted that the following related communications, S/2000/966, S/2000/1151, S/2001/127, S/2001/300 and S/2001/794, were issued previously.

(*Signed*) Jorge Eduardo **Navarrete**
Chairman
Security Council Committee established pursuant to
resolution 1132 (1997) concerning Sierra Leone

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## Annex

### Letter dated 24 December 2001 from the Permanent Representative of Sierra Leone to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1132 (1997) concerning Sierra Leone

I have the honour to forward herewith the third review of the Certificate of Origin regime for the export of Sierra Leone diamonds, prepared by the Government of Sierra Leone in compliance with paragraph 1 of resolution 1306 (2000) (see enclosure). The review covers the period up to November 2001.

(*Signed*) Ibrahim M. **Kamara**
Ambassador
Permanent Representative

Enclosure

# IMPLEMENTATION OF UN SECURITY COUNCIL RESOLUTION 1306 (2000)

## THIRD REVIEW OF THE NEW CERTIFICATE OF ORIGIN FOR THE EXPORT OF SIERRA LEONE DIAMONDS

**November 2001**

## A. Introduction

1. This is the third review of the new Certificate of Origin regime established by the Government of Sierra Leone, in compliance with paragraph 2 of Security Council resolution 1306 (2000) of 5 July 2000. Earlier reviews had been issued as documents S/2000/1145 of 4 December 2000, and S/2001/794 of 16 August 2001.

## B. Certificate of Origin

2. Since the last review, a total of 71 (seventy-one) new certificates have been issued. This brings the total number of certificates issued since the system came into effect a year ago, to 184 (one hundred and eighty-four).

3. All corresponding Import Information Certificates have been returned to the Government Gold and Diamond Office (GGDO), as required by the export procedure.

4. Digital photographs of rough and uncut diamonds presented to the GDDO for valuation and subsequent export continue to be transmitted electronically from the GGDO to the importing countries with the information contained in the original certificate of origin shipment.

## C. Other Measures

### (a) Mining and Marketing

5. The process of disarmament and demobilization of ex-combatants is now virtually complete throughout the country, including the main diamond areas such as Kono and Tongo, which had been occupied by the rebels. Since the second review of the Certificate of Origin regime there has been a major breakthrough in the security situation, in particular with the deployment of UNAMSIL in Tongo and Kono. This was followed almost simultaneously with the restoration of civil authority in those areas, the principal source of "conflict" diamonds. Thus, with the re-establishment of effective

government authority, the Ministry of Mineral Resources is about to resume its own administrative, monitoring and enforcement functions in those areas. In its operational plan the Ministry is also, among other things, taking into account the serious environmental impact of indiscriminate rebel mining activities during the past few years.

6. All diamond transactions continue to be effected between holders of valid mining, dealing and exporting licences. This regulation is still being enforced by officials of the Ministry of Mineral Resources, through stringent monitoring in the field and at the GGDO during the exporting of rough and uncut diamonds.

(b) Monitoring

7. A major component for the successful implementation of the certification process is monitoring of mining and trading activities in the country. Since the introduction of the certification scheme, tremendous effort has been made to enhance the effectiveness of the Mines Monitoring Officers. To this end, they were recently equipped with 10 new motorcycles to increase their mobility. The United States Government, through USAID, has also provided the Monitoring Officers with communication equipment, such as radios and mobile radio handsets.

8. In addition, the Ministry of Mineral Resources has provided four mobile phones for use by the Officers at Lungi International Airport, Hastings Airport, the Mammy Yoko Heliport, and the GGDO. The provision of these communication equipment, coupled with the training provided by the USAID, has increased the effectiveness of these officers and has significantly increased the legitimate flow of diamonds.

9. During this period under review, three individuals were arrested for unlawful possession of diamonds. A total of 140 (one hundred and forty) carats valued at US$ 20,000 were confiscated. The culprits were also fined.

D. **Community Development Fund**

10. As reported in the previous review, 25 per cent of total dues paid by exporters to the Government are reserved for a Community Development Fund which will benefit local chiefdoms, based on the number of mining licences issued in the respective chiefdoms. The objective is to encourage community support for legitimate diamond mining activities. In July almost Le 98 million (approximately US$95,160) were distributed to several mining chiefdoms in the Southern and Eastern Provinces.

11. The introduction of the Fund has substantially strengthened the monitoring aspect of the Certification system at the community level. The next disbursement is expected in January 2002.

E. **Banking Guidelines**

12. The banking guidelines have been revised to facilitate and expedite exportation procedures. This development is reflected in the increasing amount of exports through the established legitimate channel in the GGDO. Furthermore, in order to reduce restrictions on the legitimate exporter, the Ministry of Mineral Resources has agreed with the Bank of Sierra Leone to allow Sierra Leonean nationals to purchase diamonds in leones as well as in US dollars.

F. **The Independent Valuator**

13. The Independent Diamond Valuator and his assistant continue to work closely with the GGDO Valuator to ensure that their roles are consistent with the objectives of UN Security Council resolution 1306 (2000). No major differences in valuation or quality identification have been recorded.

G. **The Kimberly Process**

14. Sierra Leone has continued to participate in all meetings of the Kimberley Process, and supports the view that the international certification scheme should, in the near future, stem the flow of rough diamonds illegally mined by rebels and used to overthrow legitimate governments. The scheme should also contribute to international peace and security, and help close loopholes in the diamond smuggling network. The Government believes that the success of the international scheme will depend largely on the integrity and cooperation of the diamond importing countries. They have a special responsibility to devise stringent methods to track diamonds that are not accompanied by authentic national certificates of origin.

H. **Conclusion**

15. The Certification of Origin regime has been in operation for just over a year. Coupled with the re-establishment of Government authority in the main diamond areas, it has contributed to a significant reduction in trade in "conflict" and illicit diamonds from the country. The success of the system continues to be reflected in the increasing quantity and value of diamonds legitimately exported through the system.

16. From January to November 2001, a total of 205,850.49 carats valued at USD$ 23.99 were legally exported. Since the Certification of Origin became operational, 256,132 carats of rough and uncut diamonds valued at US$30.52 million have been exported to various markets in the world, such as Belgium, Israel, the United Kingdom and the United States.

17. The Government of Sierra Leone acknowledges its responsibility in ensuring that its rough diamonds are produced and exported through a credible and effective certification system. It further acknowledges its responsibility to ensure that its diamonds are not used by rebels and others to acquire arms for the purpose of starting

or fuelling armed conflict. At the same time it maintains that strict implementation by diamond importing countries of resolution 1306 (2000) is crucial to international efforts aimed at breaking the link between the trade in conflict diamonds and armed conflict. In this connection, the Government of Sierra Leone is encouraged by recent legislative and other action taken by a number of States concerning conflict diamonds.

18. The Government recalls the reference in resolution 1306 (2000) to the role played by the illicit trade in diamonds in fuelling the conflict in Sierra Leone, and to reports that such diamonds transit neighbouring countries, including Liberia. In this connection it the Government notes that since the submission of its second review of the certification system the report of the Expert Panel established pursuant to resolution 1343 (2001), has been submitted the Security Council. It also takes note of those observations and recommendations contained in the report that have a direct bearing on the situation in Sierra Leone and the illicit trade in Sierra Leone diamonds.